

HOUSE BILL No. 1549

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-18-13.

Synopsis: Optional restoration of banked levies. Increases the maximum permissible levy for property taxes payable in 2006 to a taxing unit, other than a school corporation, by the product of the amount of unused levy authority that the taxing unit accumulated before the enactment of P.L.1-2004 (SEA 1) and P.L.23-2004 (HEA 1001) multiplied by the assessed value growth quotient. Allows only the part of the additional levy authority that is used in 2006 to be considered in setting maximum permissible levies in subsequent years.

Effective: Upon passage.

Ayres, Klinker, Burton

January 18, 2005, read first time and referred to Committee on Ways and Means.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1549

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-18-13 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 13. (a) This section applies to all taxing**
4 **units except school corporations.**

5 **(b) As used in this section, "affected levy limitation" refers to a**
6 **levy limitation imposed by the following:**

7 **(1) IC 6-1.1-18.5-3.**

8 **(2) IC 6-1.1-18.6-2.**

9 **(c) As used in this section, "levy difference" means the**
10 **difference between:**

11 **(1) the maximum permissible levies that a taxing unit could**
12 **have imposed in 2004 under an affected levy limitation,**
13 **including any part of the levies attributable to a permanent**
14 **increase in the levy allowed after a levy appeal, if P.L.1-2004**
15 **and P.L.23-2004 had not been enacted; and**

16 **(2) the ad valorem property tax levies subject to the affected**
17 **levy limitation, as the levies were determined by the**



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department of local government finance in fixing the taxing unit's budget, levies, and rates for 2004 under IC 6-1.1-17, after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy, as determined by the department of local government finance.

(d) Not later than July 1, 2005, the fiscal body of a taxing unit may adopt a resolution requesting the department of local government finance to calculate the levy difference for each levy subject to an affected levy limitation. The fiscal body shall distribute a copy of the resolution to the county auditor in each county in which the taxing unit is located and to the department of local government finance.

(e) Not later than thirty (30) days after receiving a copy of a resolution under subsection (d), the department of local government finance shall:

- (1) calculate the amount of the levy difference for each levy subject to an affected levy limitation; and
- (2) notify the taxing unit making the request and the county auditor for each county in which the taxing unit is located of the amount of the levy difference for each of the taxing unit's levies subject to an affected levy limitation.

(f) For purposes of calculating the maximum permissible levy under IC 6-1.1-18.5-3 for property taxes first due and payable in 2006, the sum of the following shall be used as the maximum permissible ad valorem property tax levy for the preceding calendar year instead of the amount that would otherwise be determined under the definition of maximum permissible ad valorem property tax levy for the preceding calendar year in IC 6-1.1-18.5-1:

- (1) The civil taxing unit's ad valorem property tax levy for 2005, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17, and after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy for the calendar year immediately preceding the ensuing calendar year, as determined by the department of local government finance.
- (2) The levy difference applicable to total property taxes subject to IC 6-1.1-18.5-3.

(g) For purposes of calculating the maximum permissible levy

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1 under IC 6-1.1-18.6-2 for property taxes first due and payable in
2 2006, the sum of the following shall be used instead of the amount
3 that would otherwise be determined and used under
4 IC 12-19-7-4(a)(1):

5 (1) The county family and children property tax levy imposed
6 for taxes first due and payable in 2005, as that levy was
7 determined by the department of local government finance in
8 fixing the civil taxing unit's budget, levy, and rate for that
9 preceding calendar year under IC 6-1.1-17 and after
10 eliminating the effects of temporary excessive levy appeals
11 and any other temporary adjustments made to the levy for the
12 calendar year.

13 (2) The levy difference for the county family and children's
14 fund.

15 (h) For purposes of calculating the maximum permissible levy
16 under an affected levy limitation for property taxes first due and
17 payable in 2007 and thereafter, only the part of a property tax levy
18 imposed in 2006 that is attributable to a levy difference shall be
19 treated as a permanent levy adjustment.

20 SECTION 2. An emergency is declared for this act.

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